

Billing statements are prepared and forwarded to the purchaser on a quarterly basis (i.e., for quarters ending 31 December, 31 March, 30 June, and 30 September) [SAMM C9.T16]. This FMS billing time line cycle (depicted in figure 12-6 below) must be taken into consideration during the computation of the initial deposit period and any quarterly payments thereafter.

Figure 12-6
FMS Billing Time Line

Completed Work Period/ Quarter	Projected Mailing Date	Payment Due to DFAS SCA	Planned Future Work Period/ Quarter
01 Oct - 31 Dec	15 January	15 March	01 Apr - 30 Jun
01 Jan - 31 Mar	15 April	15 June	01 Jul - 30 Sep
01 Apr - 30 Jun	15 July	15 September	01 Oct - 31 Dec
01 Jul - 30 Sep	15 October	15 December	01 Jan - 31 Mar

The payment dates shown on the payment schedules must be compatible with the billing cycle. Determining the initial deposit period and the earliest quarterly payment date is based on the LOA's offer expiration date (OED)/expected implementation date [SAMM C9.T12]. For example, if the LOA OED (like the BN-D-YCY LOA) is within the 11 September through 10 December date range, the LOA initial deposit should cover the forecast of expenditures from the LOA OED through 31 March (as shown in figure 12-7). As a result, the first quarterly payment date (after the initial deposit) should be scheduled for 15 March in order to cover costs that are expected to be incurred in the 01 April–30 June time period.

Figure 12-7
Determining Initial Deposit Period

For anticipated offer expiration/ implementation date:	Earliest payment date shown in payment schedule is:	For costs to be incurred in:
11 Sep - 10 Dec	15 Mar	Apr - Jun
11 Dec - 10 Mar	15 Jun	Jul - Sep
11 Mar - 10 Jun	15 Sep	Oct - Dec
11 Jun - 10 Sep	15 Dec	Jan - Mar

What's the OED for case YCY? 30 Sep

Foreign Military Sales Billing Statement

The FMS Billing Statement, DD Form 645 (see example in figure 12-8) is prepared by DFAS–SCA. In the absence of a special billing arrangement, the FMS Billing Statement represents the USG’s official claim for payment to the purchaser for the articles and/or services agreed to on the LOA. It also furnishes an accounting to the purchaser for LOA costs incurred to-date. In addition to identifying deliveries or performance of services made on the purchaser’s case, the DD Form 645 also reflects the forecasted costs which relate to the next quarter’s financial requirements on that same case. These forecasted costs may include anticipated progress payments, contractor holdback, TL reserve, accrued and future deliveries, and associated costs (e.g. NC, CAS, administrative/accessorial, etc.). For example, the DD Form 645 for the period ending 31 December would contain delivery transaction data provided to DFAS SCA in October, November, and December and a forecasted financial requirement for April, May and June. The 15 March payment due date shown in the figure 12-8, DD Form 645 example below would also be the same payment date as contained in the estimated payment schedule of the applicable LOA. [FMR volume 15, chapter 8, section 080204 and table 8-1, and the DISAM ‘Red’ book chapter 3]

Figure 12-8
FMS Billing Statement, DD Form 645 Example

FOREIGN MILITARY SALES BILLING STATEMENT				UNITED STATES OF AMERICA DEPARTMENT OF DEFENSE/AIR FORCE					
1. TO: BANDARIA ARMY		2. THIS IS A BILLING STATEMENT BASED ON CASH REQUIREMENTS. PAYMENT IS DUE BY 15 SEP 15		3. STATEMENT NUMBER: 15-06DB		4. FOR PERIOD ENDED: 15 JUN 30		5. DATE PREPARED: 15 JUL 15	
CASE IDENTIFICATION AND DELIVERY STATUS				FINANCIAL STATUS					
6. CASE & ITEM NBR	7. TOTAL VALUE ORDERED	8. CUMULATIVE DELIVERY COSTS END PRIOR PERIOD	9. CURRENT PERIOD DELIVERY COSTS (ATTACHMENT 1)	10. CUMULATIVE DELIVERY COSTS & WORK IN PROCESS	11. FORECASTED REQUIREMENTS (NOTE A)	12. TOTAL FINANCIAL REQUIREMENTS	13. CUMULATIVE PAYMENTS RECEIVED	14. AMOUNT DUE AND PAYABLE	
VCY									
001	78,683,170.00	0.00	0.00	0.00					
	HUMDINGER MISSILES								
002	619,300.00	0.00	0.00	0.00					
	LAUNCHERS								
003	2,017,000.00	0.00	0.00	0.00					
	SPARE PARTS								
004	488,840.00	0.00	0.00	0.00					
	TRAINING MISSILES								
005	181,800.00	181,800.00	0.00	181,800.00					
	TECHNICAL DATA PKG								
006	3,017,692.00	0.00	0.00	0.00					
	CONTAINERS								
007	1,563,480.00	143,319.00	78,173.00	221,492.00					
	SUPPORT EQUIPMENT								
008	2,163,402.00	198,311.85	108,170.10	306,481.95					
	CONTRACTOR SPT								
009	2,021,000.00	185,258.33	101,050.00	286,308.33					
	PARTS/SPT EQUIP								
010	12,372.00	1,790.68	976.74	2,767.42					
	AF TECH ORDERS								
011	1,636,316.00	0.00	0.00	0.00					
	AIRLIFT, AMC								
012	1,008,500.00	92,445.83	50,425.00	142,870.83					
	R+R OTHER								
013	631,250.00	57,864.58	31,562.50	89,427.08					
	R-R MISSLES								
014	2,694,188.00	0.00	0.00	0.00					
	WARRANTY								
700	657,000.00	54,750.00	32,850.00	87,600.00					
	TECH ASSISTANCE								
701	73,338.00	61,115.00	12,223.00	73,338.00					
	SITE SURVEYS								
702	2,514,403.00	209,533.58	125,720.15	335,253.73					
	OTHER SERVICES								
989	260,000.00	59,583.33	32,500.00	92,083.33					
	TRAINING								
L6A	3,508,507.00	43,602.03	20,077.77	63,679.79					
	ADMINISTRATIVE FEE								
L00	235,182.00	21,558.35	11,759.10	33,317.45					
	ACCESSORIAL COSTS								
WIP	WORK IN PROCESS			23,786,978.07					
CASE TOTAL	103,986,740.00	1,310,932.58	605,487.35	25,703,398.00	10,277,127.00	35,980,525.00	25,703,398.00	10,277,127.00	

DD FORM 645 (NOV 87) PREVIOUS EDITIONS ARE OBSOLETE (Q)

DD Form 645 Supporting Documentation

In addition to the DD Form 645, the purchaser is provided certain attachments, as applicable, which contain more detailed information. The DD Form 645 supporting attachments include: (1) FMS Delivery Listing, (2) FMS Reply Listing to Customer Requests for Adjustments, (3) FMS financial forecast, (4) holding account statement, and the (5) accelerated case closure suspense account statement. Each of these documents is explained in greater detail in the following paragraphs.